



# What is gas and how do we use it profitably?

#### Wilhelm Müller

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## Caterpillar Energy Solutions





# PowerGen – Amsterdam Future Gas Variation and the (financial) consequences

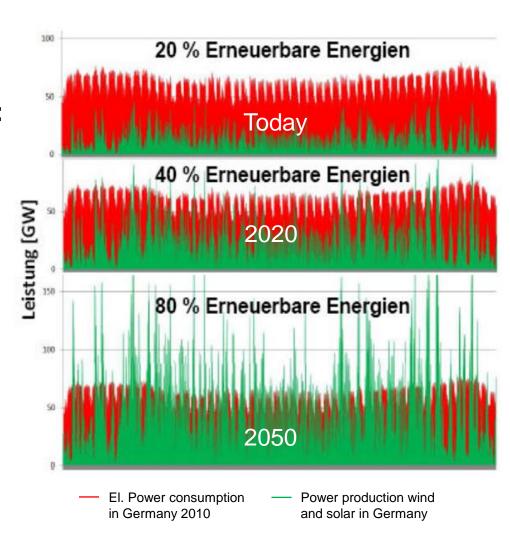
Wilhelm Müller June 9th 2015



### Covering the German "Energiewende" with gas-gensets

#### Goals of the German "Energy revolution":

- Shutdown nuclear power plants
- Security of energy supplies executed with renewable energies
- Reducing environmental impact and reach CO2 targets
- Safety and cost-efficient energy supply



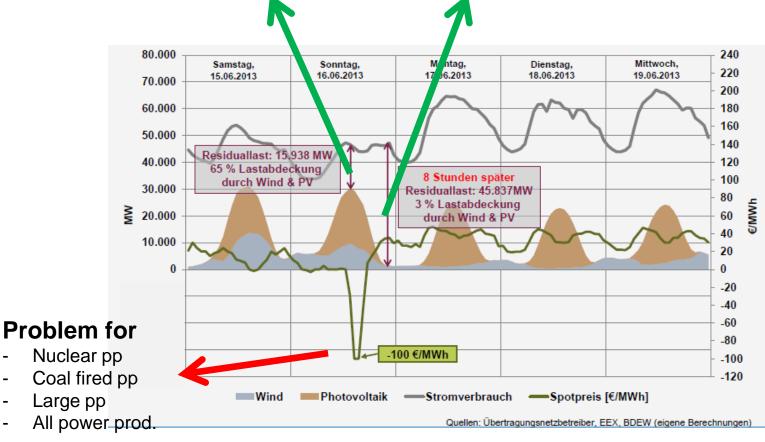
Source: Weissmüller, DEEnO 2014



Electric Power Division

#### Volatile electricity - Temporary overproduction and deficit







#### Approach to use overproduction

Overproduction of electrical energy



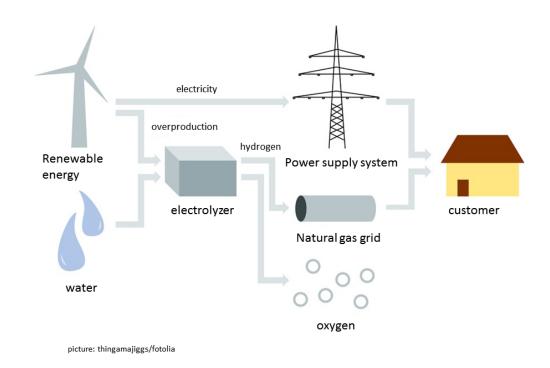
Production of hydrogen and supply to the natural gas grid



Hydrogen gas mixture to be used for energy deficit phase

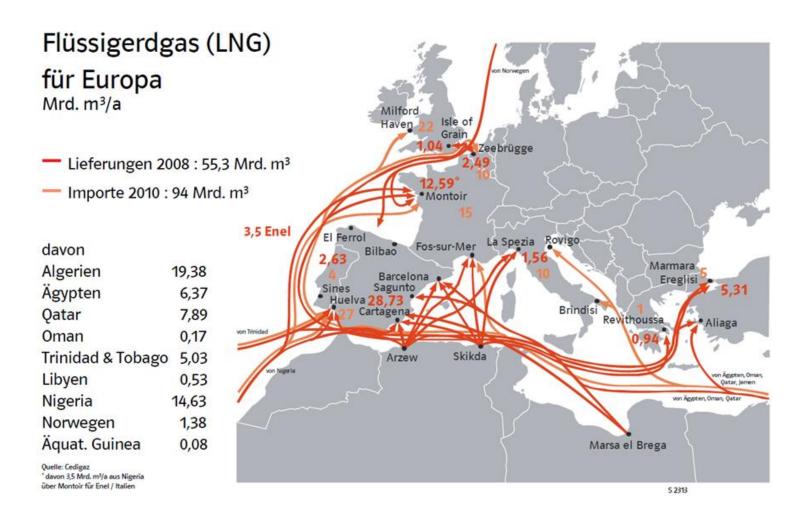


Consequences (for IC engines, ...)?



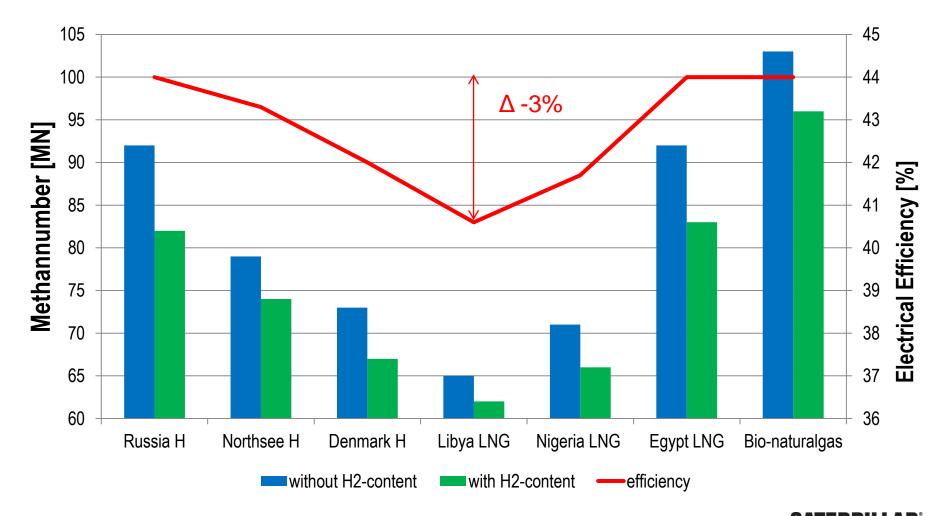


#### LNG supply routes for Europa



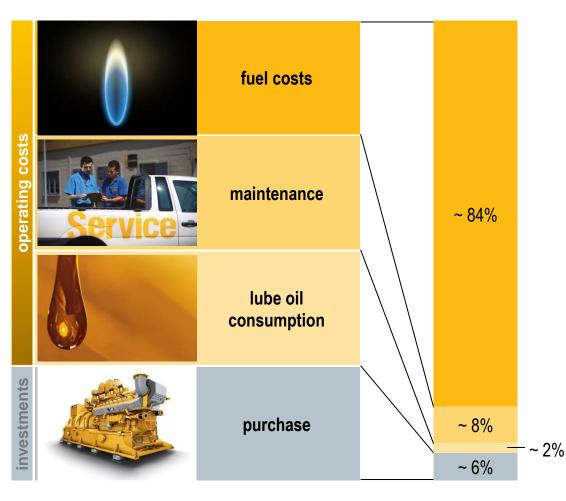


## Comparison MN impacted by 10% hydrogen





#### Total cost of ownership



Life cycle costs greatly depend on engine gas costs, therefore engine / genset / power plant efficiency is very important.

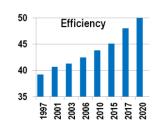
The impact of gas quality has an impact on engine efficiency and total cost of ownership.



#### Key aspects of the gas engine development

- Increase of engine efficiency
- Increase of power output

**Economic** efficiency



- Reduction of exhaust emission
- Reduction of noise

**Environmental protection** 



- Gas engine modification to fulfill the requirements for flexible plant operation
- Gas engine modification to operate with varying gas qualities
- Optimization of control strategy

Reliability





#### Resume

- The energy transition will have a dramatic influence on the energy spot prices
- Flexible power plants are necessary to adjust fluctuating energy from wind and photovoltaic
- Power producers have to deal with new challenges by switching on/off power plants or implenting new solutions with new specifications and intelligent controls
- Future open gas market has an influence on gas quality
- Energy storage is the new challenge
- Electricity grid and gas distribution system might no longer be independent
- Complete solutions have to be created, including gas engine technologies and control systems to fulfill the future challenges for total cost of ownership
- Caterpillar is offering solutions for all required specifications







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#### **Thank You For Your Attention!**

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